

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

UNITED STATES OF AMERICA,	§
	§
Plaintiff,	§
	§ Civil Action No. 3:09-CV-0269-D
VS.	§
	§
TINA GLOVER PRESTON, et al.,	§
	§
Defendants.	§

**TEMPORARY RESTRAINING ORDER**

On March 20, 2009 at 2:00 p.m. the court conducted a telephonic hearing on the application of plaintiff United States of America (“government”) for a temporary restraining order (“TRO”) against defendant Ethel Washington (“Washington”). The government appeared via telephone, and Washington, although notified of the telephonic hearing, failed to appear.

I

Based on the evidence submitted by the government, the court makes the following findings of fact and conclusions of law:

1. Washington is an income tax return preparer, as that term is defined by 26 U.S.C. § 7407.
2. Washington has continually and repeatedly prepared federal income tax returns that contain unrealistic positions, including false or inflated Schedule C business losses, in violation of 26 U.S.C. § 6694.
3. Washington has continually and repeatedly prepared federal income tax returns with false or inflated Schedule C business losses that she knew would result in the understatement of tax liability, in violation of 26 U.S.C. § 6701.

4. Washington has prepared returns with false or inflated Schedule C business losses since 2004 and has already prepared 120 returns with claimed Schedule C business losses during this tax-filing season, some of which contain false or inflated Schedule C business losses.
5. It is likely that, absent a TRO, Washington's unlawful return preparation will recur.
6. Washington continued to prepare federal tax returns with false or inflated Schedule C business losses after notice that the IRS was examining her return preparation.
7. Because the false items claimed by Washington cannot be detected without extensive examination of the returns and interviewing customers, a conduct-specific injunction is insufficient to prevent recurrence of Washington's interference with the Internal Revenue Code.

Based on the findings of fact and conclusions of law above, the court concludes that a TRO is necessary and appropriate to prevent recurrence of the proscribed conduct discussed above.

## II

It is therefore ordered that Washington, her officers, agents, servants, employees, and attorneys, and all those in active concert or participation with her who receive actual notice of this order by personal service or otherwise, are temporarily restrained and enjoined from:

1. Preparing or filing, or assisting in the preparation or filing, of any federal tax return, amended return, or claim for refund, for any other person or entity;
2. Engaging in conduct subject to penalty under 26 U.S.C. § 6694, including preparing tax returns or claims for refund for others that include false or inflated Schedule C business losses;

3. Engaging in conduct subject to penalty under 26 U.S.C. § 6701, including preparing or assisting in the preparation of a document related to a matter material to the internal revenue laws that includes a position that she knows will (if so used) result in an understatement of another person's tax liability, including preparing returns with false or inflated Schedule C business losses;
4. Engaging in any conduct that interferes with the proper administration and enforcement of the internal revenue laws, including preparing returns for others with false or inflated Schedule C business losses;
5. Instructing, advising, or assisting taxpayers to understate their federal income tax liabilities; and
6. Misrepresenting any of the terms of this order.

This TRO expires on April 3, 2009 unless extended for good cause. The government is not required to post security in order for the TRO to take effect.

**SO ORDERED.**

March 20, 2009 at 2:30 p.m.

  
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SIDNEY A. FITZWATER  
CHIEF JUDGE